



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and Energy Reliability  
Infrastructure Security and Energy Restoration

# ENERGY ASSURANCE DAILY

Thursday Evening, August 12, 2010

## ***Electricity***

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### **Storms Cut Power to More than 125,000 Customers in Maryland and Washington, D.C.**

#### **August 12**

Storms cut power to more than 106,000 Pepco customers in Maryland and Washington, D.C. and 21,817 Baltimore Gas & Electric (BGE) customers in Maryland. The storms also forced shut two metro stations – Forest Glen and Cleveland Park – in the Washington, D.C. area. Some 87,200 Pepco customers and 1,952 BGE customers remained without power, as of latest reports.

<http://www.pepco.com/home/emergency/maps/stormcenter/>

<http://www.bge.com/portal/site/bge/menuitem.42d31413f80c584606370f10d66166a0/>

<http://www.nbcwashington.com/news/local-beat/Flash-Flood-Warning-in-DC-100519564.html>

<http://www.baltimoresun.com/news/maryland/bs-md-morning-storm-20100812.0.1222315.story>

### **Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois Shut August 12**

The unit shut automatically "during a scheduled activity in the Cordova plant's condenser" according to the local Quad-City Business Journal. Workers were reviewing the incident and the unit remained offline, as of latest reports.

[http://qctimes.com/business/article\\_748b037c-a626-11df-be72-001cc4c03286.html](http://qctimes.com/business/article_748b037c-a626-11df-be72-001cc4c03286.html)

### **TVA's 1,118 MW Browns Ferry Nuclear Unit 3 in Alabama Reduced to 40 Percent by August 12**

The Nuclear Regulatory Commission reported that on the morning of August 11 the unit was operating at 50 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

### **Duke Energy Declares Unusual Event at 846 MW Oconee Nuclear Unit 3 in South Carolina August 11**

Duke Energy declared an unusual event on August 11 due to the "loss of annunciators" at its 846 MW Oconee nuclear Unit 3 in South Carolina, the company said in a filing with the Nuclear Regulatory Commission (NRC). "While repairing a control room alarm panel, a screw was dropped," according to the filing. That appeared to trigger a breaker trip, which in turn led to "a loss of greater than 50 percent of the control room alarm panels." Operators restored more than 50 percent of the alarm panels and ended the Unusual Event within about eight hours.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2010/20100812en.html>

<http://finance.yahoo.com/news/NRC-Minor-indicator-problem-apf-2834790240.html?x=0&.v=1>

### **Update: Enbridge to File Revised Plan to Restart Ruptured 190,000 b/d, 30-Inch, Indiana-to-Ontario Lakehead System Line 6B August 13**

Enbridge expected to file on August 13 a revised plan to repair and restart its ruptured 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B, the company said on August 11. The U.S. Department of Transportation's (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) rejected the company's initial restart proposal, saying it did "not contain sufficient technical details or adequate steps to permit a conclusion that no immediate threats are present elsewhere on the line that require repair prior to any restart... even at a further reduced pressure." Operators shut the line after it spilled an estimated 19,500 barrels (the Environmental Protection Agency suspected that total could exceed 23,800 barrels) of oil on July 26 into a creek near the company's Marshall, Michigan pump station. Workers continued to repair the damaged section of pipe, as of August 11. Cleanup efforts continued along the Talmadge Creek and the Kalamazoo River.

<http://response.enbridgeus.com/response/main.aspx?id=13013>

### **Update: United Refining Could Run Out of Oil by August 15 at 70,000 b/d Warren, Pennsylvania Refinery: CEO**

United Refining Co. could run out of oil by August 15 at its 70,000 b/d Warren, Pennsylvania refinery, the company's Chief Executive Officer (CEO) said by August 12, citing the continued shutdown of Enbridge's 190,000 b/d, 30-inch, Indiana-to-Ontario Lakehead System Line 6B.

Bloomberg News, 12:08 August 12, 2010

### **Update: BP Resuming Relief Well Operations after Storm-Induced Delay in Gulf of Mexico August 12**

BP was preparing to resume relief well operations at the site of the blown-out MC252 well in the Gulf of Mexico, it said on August 12, about two days after storms forced it to suspend operations. The company removed the storm packer from the well by this morning, and planned to conduct additional pressure testing before resuming relief well activity.

<http://www.bp.com/extendedsectiongenericarticle.do?categoryId=9034427&contentId=7063885>

### **Update: Government Could Begin Work to Salvage Deepwater Horizon Rig in September**

The government could begin preliminary work in early September to salvage the Deepwater Horizon oil rig from the bottom of the Gulf of Mexico, according to retired Coast Guard Admiral Thad Allen, the federal official in charge of the spill response.

[http://www.rigzone.com/news/article.asp?a\\_id=97278](http://www.rigzone.com/news/article.asp?a_id=97278)

### **Tropical Depression Dissipates, but Still Disrupts Oil-and-Gas Operations in Gulf of Mexico August 11-12**

A tropical depression dissipated in the Gulf of Mexico on August 11, but the storm still threatened to trigger heavy rainfall along the Gulf Coast, the National Hurricane Center said. Oil-and-gas companies reported minor disruptions in the Gulf of Mexico:

- Anadarko evacuated non-essential workers from its Independence Hub and Neptune facilities in the eastern Gulf of Mexico on August 10. The company had not shut-in production, however, and expected to begin returning the workers on August 12.
- Shell planned to evacuate the Nautilus rig and Fairway field, it said on August 11. The company did not expect the incident to impact production.
- Transocean was returning six drillships and rigs to their original locations, it said by August 12. The company had re-located them ahead of the storm.

<http://www.nhc.noaa.gov/text/refresh/MIATCPAT5+shtml/112034.shtml>

Anadarko: <http://www.anadarko.com/Media/Pages/MediaUpdates.aspx>

Shell: [http://www.shell.us/home/content/usa/aboutshell/media\\_center/storm\\_center/storm\\_updates/2010/](http://www.shell.us/home/content/usa/aboutshell/media_center/storm_center/storm_updates/2010/)

Transocean: Reuters, 11:38 August 12, 2010

### **Oil-and-Gas Well Blows Out in Assumption Parish, Louisiana August 11**

A well blew out in Assumption Parish, Louisiana on August 11, shooting oil and gas almost 200 feet into the air and triggering local evacuations. The well, operated by Mantle Oil and Gas, continued to eject an unspecified quantity of oil and gas, as of latest reports. Officials said it could take 10 days to stop the leak.

<http://www.dailycomet.com/article/20100812/ARTICLES/100819725/1212?Title=Oil-blowout-causes-evacuations>

### **Update: BP to Pay \$50.6 Million Penalty Related to Fatal 2005 Explosion at 467,720 b/d Texas City, Texas Refinery: OSHA**

BP will pay a \$50.6 million penalty related to a fatal 2005 explosion at its 467,720 b/d Texas City, Texas refinery, the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) said on August 12. The agreement resolves failure-to-abate citations issued after a 2009 follow-up investigation. BP also agreed to take numerous steps related to employee safety.

[http://www.osha.gov/pls/oshaweb/owadisp.show\\_document?p\\_table=NEWS\\_RELEASES&p\\_id=18156](http://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=NEWS_RELEASES&p_id=18156)

### **Motiva Reports Maintenance, Naphtha Release at 234,700 b/d Norco, Louisiana Refinery August 10**

Motiva released an unknown quantity of naphtha on August 10 as it performed work on a distillation unit at its 234,700 b/d Norco, Louisiana refinery, according to a regulatory filing. It was not clear if the incident had any impact to production.

Reuters, 08:05 August 12, 2010

### **Update: After Tuesday Blast, Flow Resumes on Iraq-to-Turkey Oil Pipeline by August 12**

Oil flow resumed on the Iraq-to-Turkey oil pipeline by August 12, two days after Kurdish rebels bombed and exploded the line in Mardin province, Turkey, multiple news and official sources said. Two passers-by were killed in the blast. The pipeline had returned to its pre-incident rates – about 350,000-450,000 b/d – by August 12, according to an official with Iraq's North Oil Company. The damaged pipeline is one of two, adjacent lines that deliver oil from Kirkuk, Iraq to Ceyhan, Turkey. A spokeswoman with Turkish-owned BOTAS, however, said repairs to the bombed line would last about 10 days.

<http://www.google.com/hostednews/afp/article/ALeqM5j5GoLZi1wQ6G7Uea2nOhuqqbc8PQ>

Reuters, 09:01 August 12, 2010

### **Petrobras Sees no Impact to Operations after Fire at P-35 Platform in Marlim Field, Offshore Brazil**

A fire struck Petrobras' P-35 platform in the Marlim field, offshore Brazil, but the company said the incident had not disrupted operations or led to any damage.

DJN, 11:15 August 12, 2010

## ***Natural Gas***

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### **Update: EnCana Extinguishes Fire and Caps Blown-Out Natural Gas Well in British Columbia, Canada by August 11**

EnCana Corp capped a blown-out well and extinguished an associated fire in a remote area of British Columbia, Canada, the company said on August 11. The blow-out occurred on August 7. It triggered a fire and left one worker injured.

Reuters, 19:03 August 11, 2010

### **Update: AGL Resources Eyes Late-2010 Start Date for First Phase of Planned 17 Bcf Golden Triangle Natural Gas Storage Facility in Texas**

AGL Resources plans to fully open one of two caverns in December 2010 at its proposed 17 Bcf Golden Triangle natural gas storage facility in Texas, according to Intelligence Press, Inc. and the company's website. The company plans to open the second cavern in 2013. It expects the facility to hold approximately 17 Bcf of total capacity and about 12 Bcf of working gas capacity.

<http://intelligencepress.com/>

<http://www.aglresources.com/about/gt/default.aspx>

## Other News

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### **Gevo to Purchase and Retrofit Agri-Energy's 22 MMGal/Yr. Ethanol Plant in Luverne, Minnesota**

Gevo plans to purchase Agri-Energy's 22 MMGal/Yr. ethanol plant in Luverne, Minnesota and retrofit the facility to purchase 18 MMGal/Yr. of isobutanol. It aims to begin making isobutanol by the first quarter of 2012, but expects to continue producing ethanol during most of the retrofit process.

[http://www.ethanolproducer.com/article.jsp?article\\_id=6886](http://www.ethanolproducer.com/article.jsp?article_id=6886)

<http://www.gevo.com/pr-gevo-to-acquire-agri-energy-ethanol-production-facility-to-produce-isobutanol.php>

### **DOE Announces 15 Projects Aimed at Secure CO2 Underground Storage**

U.S. Energy Secretary Steven Chu announced yesterday the selection of 15 projects to develop technologies aimed at safely and economically storing carbon dioxide in geologic formations. To read more about the projects, click on the link below.

<http://www.energy.gov/news/9333.htm>

## Energy Prices

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U.S. Oil and Gas Prices August 12, 2010			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	76.55	82.04	70.64
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	4.38	4.84	3.54

Source: Reuters

## Energy Notes

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### **Substation Shutdowns Cut Power to More than 20,000 Murfreesboro Electric Customers in Tennessee August 11**

<http://www.newschannel5.com/Global/story.asp?S=12965685>

### **Update: Town of Mattoon, Illinois Rejects DOE's Recently-Announced FutureGen 2.0 Project, Saying the Government Can Not Use Its Land to Store Carbon Dioxide**

[http://online.wsj.com/article/SB10001424052748704901104575423762070262320.html?ru=yahoo&mod=yahoo\\_hs](http://online.wsj.com/article/SB10001424052748704901104575423762070262320.html?ru=yahoo&mod=yahoo_hs)

### **Update: DOE Extends Decision Date on Whether to Divert Stimulus Funds Away from BGE's Smart Grid Project – State Regulators Rejected Company's Plan in June 2010**

<http://www.baltimoresun.com/business/bs-bz-smart-grid-doe-grant-20100810.0.782996.story>

### **PJM Users Set Electric Consumption Records for Months of June and July 2010 – Electricity Consumption Totaled 63,898,387 MWh in June and 71,761,819 MWh in July**

<http://www.pjm.com/~media/about-pjm/newsroom/2010-releases/20100811-consumers-set-energy-record.ashx>

### **NRC Plans Conference to Discuss Apparent Violation Related to Flood Protection Plan at OPPD's 478 MW Fort Calhoun Nuclear Power Plant in Nebraska August 18**

<http://www.nrc.gov/reading-rm/doc-collections/news/2010/10-029.iv.html>

**Update: FirstEnergy Receives PUC Okay to Renovate 312 MW Burger Coal-Fired Plant in Ohio to Run on Biomass**

[http://www.cleveland.com/business/index.ssf/2010/08/firstenergy\\_corp\\_gets\\_permissi.html](http://www.cleveland.com/business/index.ssf/2010/08/firstenergy_corp_gets_permissi.html)

**FirstEnergy to Deploy World's Largest Hydrogen Fuel Cell Generator in Ohio – the Mobile Transportable Unit Can Generate 1 MW of Electricity**

<http://www.prnewswire.com/news-releases/worlds-largest-hydrogen-fuel-cell-generator-set-to-deploy-100441734.html>

**Worker Mishap Leads to Spill of Approximately 14,000 Gallons of Oil into Shenango River, Pennsylvania August 11**

<http://www.post-gazette.com/pg/10224/1079429-455.stm>

**Flaring at Chevron's 260,000 b/d El Segundo, California Refinery August 11**

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/4afd0bd59f8f908a8825777c00510a44?OpenDocument>

**Update: Texas Attorney General Files Legal Challenge to Government-Imposed Moratorium on Deepwater Drilling August 11**

<http://www.oag.state.tx.us/oagnews/release.php?id=3445>

**BLM Receives Just Five Bids during Lease Sale for Blocks in National Petroleum Reserve-Alaska August 11**

Reuters, 17:02 August 11, 2010

**Connacher Oil and Gas Limited Begins Bitumen Production at 10,000 b/d Algar Oil Sands Plant at Great Divide Project in Alberta, Canada August 4**

[http://www.connacheroil.com/en/investor/cil-2010-08-q2-press\\_release.pdf](http://www.connacheroil.com/en/investor/cil-2010-08-q2-press_release.pdf)

**Update: Provincial Regulators Give Conditional Okay to Imperial Oil's Waste Management Proposal at Kearl Oil Sands Project in Alberta, Canada by August 11**

<http://www.reuters.com/article/idUSN1124886820100811>

**Analysts Site New Sanctions as Iran Shelves Two LNG Projects by August 12**

<http://online.wsj.com/article/SB10001424052748704216804575423212231718960.html>

**Ethanol-Carrying Train Car Derails in Williamston, South Carolina August 8**

<http://www.foxcarolina.com/news/24562851/detail.html>

**Linde North America Launches 600 Tons/Day CO2 Production Plant at Sunoco's Ethanol Plant in Volney, New York by August 11**

<http://cnybj.com/Channels/Technology/tabid/73/itemid/12943/sourcemicid/417/Carbon-dioxide-plant-opens-in-Volney/Default.aspx?returnUrl=%2FChannels%2FTechnology%2Ftabid%2F73%2FDefault.aspx>

**Update: After Shipping Incident Offshore India, Container Port Restarts Partial Operations in Mumbai by August 12**

<http://www.bloomberg.com/news/2010-08-12/jawaharlal-nehru-port-india-s-busiest-resumes-operations-after-collision.html>

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## **Links**

***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

**Weekly Petroleum Status Report** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

**Natural Gas Weekly Update** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

## **ENERGY ASSURANCE DAILY**

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<http://www.oe.netl.doe.gov/ead.aspx>

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